

Outgoing
00250005
K

Suzanne Steab - May 2011 Inspection Report

From: Karl Houskeeper
To: knicholes@altoncoal.com
Date: 6/1/2011 3:56 PM
Subject: May 2011 Inspection Report
CC: ANGELANANCE@utah.gov; DARONHADDOCK@utah.gov; SUZANNESTEAB@utah.gov
Attachments: Coal Hollow May 2011.pdf

Kirk,

Attached is the May 2011 inspection report for Coal Hollow.

Thanks,
Karl



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Inspection Report

Permit Number:	C0250005
Inspection Type:	COMPLETE
Inspection Date:	Monday, May 23, 2011
Start Date/Time:	5/23/2011 5:45:00 AM
End Date/Time:	5/24/2011 7:20:00 PM
Last Inspection:	

Inspector: Karl Houskeeper

Weather: Clear, Temp. 55 Deg. F.

InspectionID Report Number: 2758

Accepted by: jhelfric
6/1/2011

Permitee: **ALTON COAL DEVELOPMENT LLC**
Operator: **ALTON COAL DEVELOPMENT LLC**
Site: **COAL HOLLOW**
Address: **463 North 100 West, Suite 1, CEDAR CITY UT 84720**
County: **KANE**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages		Mineral Ownership	Types of Operations
635.64	Total Permitted	<input checked="" type="checkbox"/> Federal	<input type="checkbox"/> Underground
435.00	Total Disturbed	<input type="checkbox"/> State	<input checked="" type="checkbox"/> Surface
	Phase I	<input type="checkbox"/> County	<input type="checkbox"/> Loadout
	Phase II	<input checked="" type="checkbox"/> Fee	<input type="checkbox"/> Processing
	Phase III	<input type="checkbox"/> Other	<input type="checkbox"/> Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Violation 10085 issued (see item 6).

Inspector's Signature: _____

Karl Houskeeper

Date: Wednesday, May 25, 2011

Karl Houskeeper,

Inspector ID Number: 49

Note: This inspection report is a confidential document and is not to be distributed outside the regulatory program of the Division of Oil, Gas and Mining.
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Permit Number: C0250005
 Inspection Type: COMPLETE
 Inspection Date: Monday, May 23, 2011

Inspection Continuation Sheet

Page 2 of 4

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The current DOGM permit C/025/0005 was issued effective 11/08/2010 and expires 11/08/2015.

- Certificate of Insurance policy number CSPKG0065200, issued 06/01/2010 and terminates 06/01/2011.
- UPDES permit # UTG040027 effective 05/01/2009 and expires @ midnight 04/30/2013.
- Air Quality permit DAQE-AN0140470-02-10, issued November 10, 2010.
- SPCC Plan dated 05/04/2011. The Plan is P.E. certified, stamped, signed and dated by a Utah P.E.

2. Signs and Markers

Observed mine identification signs at two points of access into the permit area from the county road. The signs contained the required information,

There were no stream buffer zone signs along the berm bordering Robinsons Creek. These signs need to be ordered and installed immediately to avoid compliance action.

Observed disturbed area markers which consisted of lath stakes with orange flagging. These markers may become problematic due to their durability and strength.

4.a Hydrologic Balance: Diversions

Observed diversions on approximately half of the mine site. Numerous culverts shown on maps (including as-built that have not yet been submitted to the Division) are not accurate in size. The majority of these culverts are in relation to the Facilities Primary Road.

Currently disturbed drainage from Topsoil Pile #2, specifically the slope and road entrance to the Topsoil Pile, is going into an undisturbed area (island on undisturbance within the disturbed area) with out treatment. The operator has been in contact with Division personnel about options with this drainage verses Disturbed Diversion #2. Continued dialog still needs to take place immediately to resolve this problem. A permit amendment may be necessary to address this problem.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Observed field information, as built drawings and SWPPP inspection reports. The Operator/Permittee needs to provide the Division with a report form that properly addresses the quarterly and/or annual inspection report requirements. This report was not available during the inspection nor has it been promptly submitted to the Division. The Operator/Permittee is to provide this information to the Division by the end of this month.

4.e Hydrologic Balance: Effluent Limitations

Reviewed the discharge monitoring reports for October, November and December 2010, January, February, and March 2011. The March 2011 report indicated exceeded parameters for ponds 2 and 3 for TDS. DEQ was notified of the exceeded parameters by letter.

5. Explosives

The insurance form did not indicate any explosive coverage. The Operator/Permittee contacted their insurance company and had this problem taken care of before the Division Inspectors left the property. A copy was obtained by the inspectors for verification. The Operator/Permittee needs to send an official copy to the DOGM Salt Lake Office to be kept on file.

6. Disposal of Excess Spoil, Fills, Benches

Vegetation removal and soil stripping for the Excess Spoil occurred during the First quarter of 2011. No evidence of an inspection or P.E. certified report was available for the First Quarter of 2011 (see R645-301 514.100 through R645-301-514.120) at the main office or mine site. No inspection or report was promptly submitted to the Division after the required inspection (see R645-301 514.100 through R645-301-514.120). Violation 10085 was issued and terminated on 5/25/2011.

16.b Roads: Drainage Controls

Maps in the current MRP as well as the as-built maps (on site have not been turned into the Division) do not adequately show road diversions. Ditches are not shown, culvert sizes vary from what is actually installed. Numerous problems exist. The operator/Permittee met with Division personnel May 5, 2011. The Division during this meeting agreed on different time frames for the various projects to be completed by. These items fall under that umbrella of problems that need to be rectified in June of 2011..

20. Air Quality Permit

DAQEAN0140470002-10 ISSUED November 10, 2010.

21. Bonding and Insurance

Bond #1057708 for \$6,045,000.00 on October 22, 2010.